

**BEFORE THE IDAHO STATE BOARD OF
CHIROPRACTIC PHYSICIANS**

In the Matter of the License of:)	
)	Case No. CHI-2007-12
TIMOTHY W. GROTHMAN, D.C.,)	
License No. CHIA-808,)	STIPULATION AND
)	CONSENT ORDER
Respondent.)	
_____)	

WHEREAS, information has been received by the Idaho State Board of Chiropractic Physicians (the "Board") that constitutes sufficient grounds for the initiation of an administrative action against Timothy W. Grothman, D.C. ("Respondent"); and

WHEREAS, the parties mutually agree to settle the matter in an expeditious manner in lieu of administrative hearings before the Board; now, therefore,

IT IS HEREBY STIPULATED AND AGREED between the undersigned parties that this matter shall be settled and resolved upon the following terms:

A. Stipulated Facts and Law

A.1. The Board regulates the practice of chiropractic in the State of Idaho in accordance with title 54, chapter 7, Idaho Code.

A.2. The Board has issued License No. CHIA-808 to Respondent. Respondent's license is subject to the provisions of title 54, chapter 7, Idaho Code and the Board's rules at IDAPA 24.03.01, *et seq.*

A.3. On or about June 20, 2007, Respondent pleaded guilty and was convicted of Health Care Fraud, a felony, in United States v. Grothman, United States District Court for the District of Idaho Case No. CR-06-069. According to the Superseding Information filed in Case No. CR-06-069, between January 1997 and August 2003, Respondent knowingly and willfully executed and attempted to execute a scheme to defraud health care benefit programs and to obtain by false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and

control of, the health care benefit programs in connection with the delivery of and payment for health care benefits, items and services. A copy of the Amended Judgment in Case No. CR-06-069 is attached as Exhibit A.

A.4. Respondent's felony conviction is grounds for discipline to imposed against Respondent's license to practice chiropractic under the laws governing the practice of chiropractic in the State of Idaho, specifically Idaho Code § 54-712(1) (grounds for discipline exist where a licensee has been convicted, found guilty, received a withheld judgment or suspended sentence in this or any other state of a felony).

B. Waiver of Procedural Rights

I, Timothy W. Grothman, D.C., by affixing my signature hereto, acknowledge that:

B.1. I have read, understand and admit the allegations pending before the Board, as stated in Section A, Paragraph A.3. I further understand that these allegations constitute cause for disciplinary action upon my license to practice chiropractic in the State of Idaho.

B.2. I understand that I have the right to a full and complete hearing; the right to confront and cross-examine witnesses; the right to present evidence or to call witnesses, or to testify myself; the right to reconsideration of the Board's orders; the right to judicial review of the Board's orders; and all rights accorded by the Administrative Procedure Act of the State of Idaho and the laws and rules governing the practice of chiropractic in the State of Idaho. I hereby freely and voluntarily waive these rights in order to enter into this Stipulation as a resolution of the pending allegations.

B.3. I understand that in signing this Stipulation I am enabling the Board to impose disciplinary action upon my license without further process.

C. Stipulated Discipline

C.1. License No. CHIA-808 issued to Respondent Timothy W. Grothman, D.C. is hereby SUSPENDED until Respondent has successfully completed his probation in Case

No. CR-06-069 and has requested and obtained reinstatement of his license from the Board. The mandatory suspension period shall commence five (5) days from the date of entry of the Board's Order.

C.2. Respondent shall pay attorney fees incurred by the Board in this matter in the amount of Two Hundred Fifty and No/100 Dollars (\$250.00) within thirty (30) days of the entry of the Board's Order.

C.3. Respondent shall comply with all conditions of his probation in Case No. CR-06-069 and upon release from probation Respondent must submit to the Board certification from his probation officer and/or other appropriate court officer that Respondent has successfully completed his probation.

C.4. In order for the Board to consider Respondent's request for reinstatement of License No. CHIA-808, Respondent must:

a. Provide the Board with any and all documents evidencing Respondent's compliance with Paragraphs C.2 and C.3 above;

b. Provide the Board with any and all documents relating to disciplinary action taken against his chiropractic license in any other state; and

c. Attend and participate in a meeting with the Board. The Board's staff will use reasonable efforts to schedule this meeting to occur at the earlier of (i) the Board's next regularly scheduled meeting following staff's receipt of Respondent's written request for reinstatement certifying that Respondent has fully complied with the stipulation and providing all documents referenced in C.4.a and b, above or (ii) within sixty (60) days following staff's receipt of such request for reinstatement. Respondent must provide any written request for reinstatement to the Board, c/o State of Idaho Bureau of Occupational Licenses, Owyhee Plaza, 1109 Main St., Suite 220, Boise, ID 83702-5642. Respondent's request for reinstatement must reference this paragraph C.4.c. in a manner intended to alert Board staff to the scheduling considerations referenced above.

C.5. If the Board grants Respondent's request for reinstatement, the Board may place such conditions and restrictions on Respondent's license as the Board, in its discretion, may deem reasonable to protect the public.

C.6. If, from the time of Respondent's conviction to the time of his request for reinstatement of License No. CHIA-808, Respondent is found to have violated any of the Board's statutes (title 54, chapter 7, Idaho Code) or rules (IDAPA 24.03.01 *et seq.*), including any conviction, finding of guilt, receipt of a withheld judgment or suspended sentence in this or any other state of a felony or a crime involving moral turpitude, Respondent's request for reinstatement of CHIA-808 shall be denied.

C.7. All costs associated with compliance with the terms of this Stipulation are the sole responsibility of Respondent.

C.8. The violation of any of the terms of this Stipulation by Respondent may warrant further Board action. The Board therefore retains jurisdiction over this proceeding until all matters are finally resolved as set forth in this Stipulation.

D. Presentation of Stipulation to Board

D.1. The Board's prosecutor shall present this Stipulation to the Board with a recommendation for approval.

D.2. The Board may accept, modify with Respondent's approval, or reject this Stipulation. If the Board rejects the Stipulation, an administrative Complaint may be filed with the Board. Respondent waives any right Respondent may have to challenge the Board's impartiality to hear the allegations in the administrative Complaint based on the fact that the Board has considered and rejected this Stipulation. Respondent does not waive any other rights regarding challenges to Board members.

D.3. If the Board rejects this Stipulation then, except for Respondent's waiver set forth in Paragraph D.2., this Stipulation shall be regarded as null and void, and admissions in this Stipulation and negotiations preceding the signing of this Stipulation will not be admissible at any subsequent disciplinary hearing.

D.4. Except for Paragraph D.2. which becomes effective when Respondent signs this Stipulation, this Stipulation shall not become effective until it has been approved by a majority of the Board and a Board member signs the attached Order.

E. Violation of Stipulation and Consent Order

E.1. If Respondent violates this Stipulation and Consent Order, the violation shall be considered grounds for additional discipline and the Board may impose additional discipline pursuant to the following procedure:

a. The Chief of the Bureau of Occupational Licenses shall schedule a hearing before the Board to assess whether Respondent has violated this Stipulation and Consent Order. The Chief shall also serve notice of the hearing and charges to Respondent and to Respondent's attorney, if any. Within fourteen (14) days after the notice of the hearing and charges is served, Respondent may submit a response to the allegations. If Respondent does not submit a timely response to the Board, the alleged violations will be deemed admitted.

b. At the hearing, the Board and Respondent may submit evidence and present oral argument based upon the record in support of their positions. Unless otherwise ordered by the Board, the evidentiary record before the Board shall be limited to evidence relevant to whether Respondent has violated this Stipulation and Consent Order. At the hearing the facts and substantive matters related to the violations described in Section A shall not be at issue.

c. At the hearing, the Board may impose additional discipline, which may include the suspension or revocation of Respondent's license, the imposition of fines, the recovery of costs and attorney fees incurred by the Board and/or other conditions or limitations upon Respondent's practice.


E.2. This Stipulation and Consent Order is the resolution of a contested case and is a public record.

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E.3. This Stipulation contains the entire agreement between the parties, and Respondent is not relying on any other agreement or representation of any kind, verbal or otherwise.

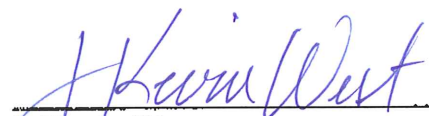
I have read the above Stipulation fully and have had the opportunity to discuss it with legal counsel. I understand that by its terms I am waiving certain rights accorded me under Idaho law. I understand that the Board may either approve this Stipulation as proposed, approve it subject to specified changes, or reject it. I understand that, if approved as proposed, the Board will issue an Order on this Stipulation according to the aforementioned terms, and I hereby agree to the above Stipulation for settlement. I understand that if the Board approves this Stipulation subject to changes, and the changes are acceptable to me, the Stipulation will take effect and an order modifying the terms of the Stipulation will be issued. If the changes are unacceptable to me or the Board rejects this Stipulation, it will be of no effect.

DATED this 21 day of January, 2009.



Timothy W. Grothman, D.C.
Respondent

Approved as to form:



J. Kevin West
Attorney for Respondent

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I recommend that the Board enter an Order based upon this Stipulation.

DATED this 28th day of January, 2009.

STATE OF IDAHO
OFFICE OF THE ATTORNEY GENERAL

By Karl T. Klein
Karl T. Klein
Deputy Attorney General

ORDER

Pursuant to Idaho Code § 54-707, the foregoing is adopted as the decision of the Board of Chiropractic Physicians in this matter and shall be effective on the 1st day of March, 2009. **IT IS SO ORDERED.**

IDAHO STATE BOARD
OF CHIROPRACTIC PHYSICIANS

By Shannon Gaertner-Ewing
Shannon Gaertner-Ewing, D.C., Chair

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 11th day of March, 2009, I caused to be served a true and correct copy of the foregoing by the following method to:

Timothy W. Grothman, D.C.
2525 E. Seltice Way #C
Post Falls, ID 83854

- ☒ U.S. Mail
- ☐ Hand Delivery
- ☒ Certified Mail, Return Receipt Requested
- ☐ Overnight Mail
- ☐ Facsimile: _____
- ☐ Statehouse Mail

J. Kevin West
HALL, FARLEY, OBERRECHT
& BLANTON, P.A.
P.O. Box 1271
Boise, ID 83701

- ☒ U.S. Mail
- ☐ Hand Delivery
- ☐ Certified Mail, Return Receipt Requested
- ☐ Overnight Mail
- ☐ Facsimile: _____
- ☐ Statehouse Mail

Karl T. Klein
Deputy Attorney General
P.O. Box 83720
Boise, ID 83720-0010

- ☐ U.S. Mail
- ☐ Hand Delivery
- ☐ Certified Mail, Return Receipt Requested
- ☐ Overnight Mail
- ☐ Facsimile: _____
- ☒ Statehouse Mail


Tana Cory, Chief
Bureau of Occupational Licenses

UNITED STATES DISTRICT COURT

District of Idaho

UNITED STATES OF AMERICA

V.

TIMOTHY GROTHMAN

AMENDED JUDGMENT IN A CRIMINAL CASE

Case Number: Cr. 06-069-001-N-EJL

USM Number: 13132-023

Mr. Peter C. Erbland

Defendant's Attorney

Date of Original Judgment: June 11, 2007

(Or Date of Last Amended Judgment)

Reason for Amendment:

- ☐ Correction of Sentence on Remand (18 U.S.C. 3742(f)(1) and (2))
☐ Reduction of Sentence for Changed Circumstances (Fed. R. Crim. P. 35(b))
☐ Correction of Sentence by Sentencing Court (Fed. R. Crim. P. 35(a))
☒ Correction of Sentence for Clerical Mistake (Fed. R. Crim. P. 36)

- ☐ Modification of Supervision Conditions (18 U.S.C. §§ 3563(c) or 3583(e))
☐ Modification of Imposed Term of Imprisonment for Extraordinary and Compelling Reasons (18 U.S.C. § 3582(c)(1))
☐ Modification of Imposed Term of Imprisonment for Retroactive Amendment(s) to the Sentencing Guidelines (18 U.S.C. § 3582(c)(2))

Direct Motion to District Court Pursuant ☐ 28 U.S.C. § 2255 or

☐ 18 U.S.C. § 3559(c)(7)

☐ Modification of Restitution Order (18 U.S.C. § 3664)

THE DEFENDANT:

☒ pleaded guilty to count One of the Superseding Information

☐ pleaded nolo contendere to count(s) _____
which was accepted by the court.

☐ was found guilty on count(s) _____
after a plea of not guilty.

The defendant is adjudicated guilty of these offenses:

<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Offense Ended</u>	<u>Count</u>
18 USC 1347	Health Care Fraud	January 2005	1

The defendant is sentenced as provided in pages 2 5 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

☐ The defendant has been found not guilty on count(s) _____

☐ The Indictment dismissed on motion of the United States.

It is ordered that the defendant must notify the United States Attorney for this district within 30 days of any change of name; residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

June 20, 2007

Date of Imposition of Judgment

Signature of Judge

Edward J. Lodge, United States District Judge

Name and Title of Judge

June 20, 2007

Date

Exhibit A
Page 1 of 7

DEFENDANT: Timothy Grothman
CASE NUMBER: Cr. 06-069-001-N-EJL

PROBATION

The defendant is hereby sentenced to probation for a term of : 3 years, the first six months of which shall include home detention with electronic monitoring. Cost of the electronic monitoring to be paid by the defendant.

Within 72 hours of release from any custody or reentry to the United States during the term of Court ordered probation, the defendant shall report in person to the probation office in the district to which the defendant was released or allowed to reenter.

Court finds that the defendant poses a high risk of future substance abuse such that mandatory drug testing is ordered pursuant to 18 U.S.C. section 3563(a)(5) or 3583(d).

The defendant shall not commit another federal, state or local crime.

The defendant shall not unlawfully possess a controlled substance and shall abstain from the unlawful use of the same.

The defendant shall submit to a drug test within 15 days of being placed on probation and to a maximum of five (5) periodic drug tests a month thereafter for the term of probation, as determined by the probation officer. Cost of the testing to be paid by the defendant and the government based upon the defendant's ability to pay.

- ☒ The above drug testing condition is suspended, based on the court's determination that the defendant poses a low risk of future substance abuse. (Check, if applicable.)
- ☒ The defendant shall not possess a firearm, ammunition, destructive device, or any other dangerous weapon. (Check, if applicable.)
- ☒ The defendant shall cooperate in the collection of DNA as directed by the probation officer. (Check, if applicable.)
- ☐ The defendant shall register with the state sex offender registration agency in the state where the defendant resides, works, or is a student, as directed by the probation officer. (Check, if applicable.)
- ☐ The defendant shall participate in an approved program for domestic violence. (Check, if applicable.)

If this judgment imposes a fine or restitution, it is a condition of probation that the defendant pay in accordance with the Schedule of Payments sheet of this judgment.

The defendant must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page.

STANDARD CONDITIONS OF SUPERVISION

- 1) the defendant shall not leave the judicial district without the permission of the court or probation officer;
- 2) the defendant shall report to the probation officer and shall submit a truthful and complete written report within the first five days of each month;
- 3) the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) the defendant shall support his or her dependents and meet other family responsibilities;
- 5) the defendant shall work regularly at a lawful occupation, unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) the defendant shall notify the probation officer at least ten days prior to any change in residence or employment;
- 7) the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any controlled substance or any paraphernalia related to any controlled substances, except as prescribed by a physician;
- 8) the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) the defendant shall not associate with any persons engaged in criminal activity and shall not associate with any person convicted of a felony, unless granted permission to do so by the probation officer;
- 10) the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view of the probation officer;
- 11) the defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- 12) the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court; and
- 13) as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

Exhibit A
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DEFENDANT: Timothy Grothman
CASE NUMBER: Cr. 06-069-001-N-EJL

SPECIAL CONDITIONS OF PROBATION

The defendant shall comply with the rules and regulations of the Probation Department.

The defendant shall perform 100 hours of community service as directed by the probation officer in lieu of a fine.

The defendant shall submit to a search of his home, vehicle, and/or person upon demand of the probation officer, without necessity of a warrant.

DEFENDANT: Timothy Grothman
CASE NUMBER: Cr. 06-069-001-N-EJL

CRIMINAL MONETARY PENALTIES

The defendant must pay the total criminal monetary penalties under the schedule of payments on Sheet 6.

	<u>Assessment</u>	<u>Fine</u>	<u>*Restitution</u>
TOTALS	\$ 100.00	\$ 5,000.00	\$ 37,746.07 - Paid

☐ The determination of restitution is deferred until _____. An *Amended Judgment in a Criminal Case* (AO 245C) will be entered after such determination.

☒ *The defendant must make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

<u>Name of Payee</u>	<u>Total Loss*</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
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*See attached list

TOTALS	\$ _____	\$ _____
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☐ Restitution amount ordered pursuant to plea agreement \$ _____

☐ The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).

☐ The court determined that the defendant does not have the ability to pay interest and it is ordered that:

☐ the interest requirement is waived for the ☐ fine ☐ restitution.

☐ the interest requirement for the ☐ fine ☐ restitution is modified as follows:

* Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

Exhibit A
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It is further ordered that the defendant shall make restitution to the Clerk of the U. S. District Court, 550 W. Fort Street, MSC 039, Boise, Idaho 83724 in the amount of \$37,746.07. Any payment made that is not payment in full shall be divided proportionately among the victims.

Hartford P.O. Box 2905 Phoenix, Arizona 85062-2905 Attn: Fraud Investigator RE: Joyce Barton	\$335.47	Aetna P.O. Box 7012 Dover, Delaware 19803 RE: Steve Monforton	\$713
Regence Blue Shield of Idaho 1211 W. Myrtle St., Ste. 110 Boise, Idaho 83702 RE: Joyce Barton, Michael Darrar	\$439.18	Washington L&I P.O. Box 44269 Olympia, WA 98504-4269 RE: Steve Monforton	\$613.11
Midwest National Life Insurance P.O. Box 982017 North Richland Hills, TX 76182-8017 Attn: Fraud Investigator RE: Carlson family	\$15,176	AIG P.O. Box 4187 Boise, Idaho 83711 RE: Sherry Pursley	\$3,603
Medicare (Cigna Government Services) P.O. Box 10957 Newark, NY 07193-0957 RE: Michael Darrar, Al and Anita Poland	\$735.26	One Beacon 1500 Spring Garden St, #500 Philadelphia, PA 19130 Attn: Recovery Unit RE: Sherry Pursley	\$3,693
Farmers Insurance 45 West 10000 South Suite 209 Sandy, Utah 84070 RE: Steve Monforton, Michael Darrar	\$705	Blue Cross of Idaho 3000 E. Pine Ave. Meridian, Idaho 83642 Attn: Karen Wright, Fraud Investigator RE: Tiernan Ketchum, Hunt family, Roni Simkin	\$1,792.20

Safeco
22425 E. Appleway Ave.
Liberty Lake, WA. 99019
Attn: Fraud Investigator
RE: Steve Monforton

\$3,242.05

Allstate
P.O. Box 6828
Boise, Idaho 83707
RE: Elyssa Roche

\$1,380

United Healthcare
P.O. Box 740800
Atlanta, Georgia 30374-0800
RE: Steve monforton

\$620.80

Al Poland
116 S. Ridgewood Drive
Post Falls, Idaho 83854

\$989

American Commerce
3590 Twin Creeks Drive
Columbus, Ohio 43204
RE: Al and Anita Poland

\$3,709

DEFENDANT: Timothy Grothman
CASE NUMBER: Cr. 06-069-001-N-EJL

SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties are due as follows:

- A ☐ Lump sum payment of \$ _____ due immediately, balance due
- ☐ not later than _____, or
☐ in accordance ☐ C, ☐ D, ☐ E, or ☐ F below; or
- B ☐ Payment to begin immediately (may be combined with ☐ C, ☐ D, or ☐ F below); or
- C ☐ Payment in equal _____ (e.g., weekly, monthly, quarterly) installments of \$ _____ over a period of _____ (e.g., months or years), to commence _____ (e.g., 30 or 60 days) after the date of this judgment; or
- D ☐ Payment in equal _____ (e.g., weekly, monthly, quarterly) installments of \$ _____ over a period of _____ (e.g., months or years), to commence _____ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision; or
- E ☐ Payment during the term of supervised release will commence within _____ (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or
- F ☒ Special instructions regarding the payment of criminal monetary penalties:
Special Assessment due immediately. \$5,000.00 fine to be paid within 30 days.

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the Clerk of the Court and mailed to Clerk of the Court, District of Idaho, 550 W. Fort St., MSC 039, Boise, ID 83724.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

☐ Joint and Several

Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.

- ☐ The defendant shall pay the cost of prosecution.
- ☐ The defendant shall pay the following court cost(s):
- ☐ The defendant shall forfeit the defendant's interest in the following property to the United States:

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) penalties, and (8) costs, including cost of prosecution and court costs.

Exhibit A
Page 7 of 7